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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

ADAM PARSA AND MARYAM
SHEIKHLARY

Plaintiff,
vs.

CREDIT ONE BANK and EQUIFAX
INFORMATION SERVICES, LLC.

Defendants.

Case No.:

**COMPLAINT AND DEMAND FOR
JURY TRIAL FOR VIOLATION
OF:**

1. FAIR CREDIT REPORTING ACT
[15 USC § 1681 et. seq.]
2. CAL. CIV. CODE § 1788 et seq.
(Unlawful Debt Collection Practices)

INTRODUCTION

1. ADAM PARSA and MARYAM SHEIKHLARY (collectively “Plaintiffs”) bring this action to secure redress from Credit One Bank and Equifax Information Services, LLC., (collectively “Defendants”) for violations of the Fair Credit Reporting Act (“FCRA”), 15 U.S.C. § 1681 et. seq., and the Rosenthal Fair Debt Collection Practices Act (“RFDCPA”), Cal. Civ. Code § 1788 et seq., for their illegal reporting on Plaintiff’s credit reports and unfair debt collection acts.

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PARTIES

2. Plaintiff Adam Parsa is a consumer, a natural person allegedly obligated to pay a debt, and a citizen of the United States of America who presently resides in: Los Angeles County, California.

3. Plaintiff Maryam Sheikhlary is a consumer, a natural person allegedly obligated to pay a debt, and a citizen of the United States of America who presently resides in: Los Angeles County, California.

4. Defendant Credit One Bank is a credit card provider with its principal place of business located at 585 Pilot Rd., Las Vegas, Nevada 89119.

5. Defendant Equifax is a *credit reporting agency*, as defined in 15 USC 1681a(f)). On information and belief, Defendant is regularly engaged in the business of assembling, evaluating, and disbursing information concerning consumers for the purpose of furnishing *consumer reports*, as defined in 15 USC 1681a(d), to third parties. Equifax can be served through its principal place of business located at 1550 Peachtree Street NW, Atlanta, Georgia, 30309.

6. On information and belief, Equifax disburses the *consumer reports* to third parties under contract for monetary compensation.

1 7. At all relevant times, Defendants' acted through duly authorized agents,
2 employees, officers, members, directors, heirs, successors, assigns, principals,
3 trustees, sureties, subrogees, representatives, and insurers.
4

5 **JURISDICTION**

6 8. The District Court has federal question jurisdiction over these claims pursuant to
7
8 28 U.S.C. § 1331; 15 U.S.C. 1681.

9 9. Venue in this District is proper pursuant to 28 U.S.C. § 1391(b)(2) in that a
10 substantial part of the events or omissions giving rise to the claim occurred in this
11 District. Defendant transacts business in this district, as such personal jurisdiction
12 is established.
13

14 **FACTUAL ALLEGATIONS**

15
16 10. On or about December 15, 2016, Plaintiffs' jointly filed for Chapter 7 bankruptcy.

17 11. Included in Plaintiffs' bankruptcy was their accounts with Credit One Bank.

18 12. On or about March 20, 2017 Plaintiffs' bankruptcy was discharged.
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20 13. Defendant Credit One Bank knew or should have known about Plaintiffs'
21 bankruptcy.
22

23 14. On or about May 8, 2017, Plaintiff Adam Parsa pulled his credit report.

24 15. Equifax was reporting Mr. Parsa's Credit One Bank account as closed with a \$778
25 balance and a late payment status.
26

27 16. On or about May 8, 2017, Plaintiff Maryam Parsa pulled her credit report.
28

1 17.Equifax was reporting Mrs. Parsa's Credit One Bank account as closed with a \$0
2 balance and a late payment status.

3
4 18.Credit One and Equifax were reporting differently for Adam and Maryam for the
5 same account.

6
7 19.On or about May 17, 2017, Plaintiff Adam Parsa sent a dispute letter to Defendant
8 Equifax.

9 20.The dispute letter stated that the Credit One Bank accounts # 444796xxxxxxx
10 should not be reporting a balance because the accounts were included in Plaintiffs'
11 bankruptcy that was discharged on March 20, 2017.

12
13 21.Equifax responded to Mr. Parsa on June 10, 2017 stating that it requested that the
14 reporting company (Defendant Credit One Bank) verify the accuracy of the
15 information Mr. Parsa disputed.

16
17 22.The June 10, 2017 response from Equifax showed that one of Plaintiff's Credit
18 One Bank accounts was reporting as included in bankruptcy while the other Credit
19 One Bank account failed to update that the account had been discharged in
20 bankruptcy and continued to show a balance owed, past due amount and over 120
21 past due.
22

23
24 23.Plaintiff pulled his credit report again on July 24, 2017.
25
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1 24.This time Equifax reported Plaintiff's Credit One Bank account as bad debt that
2 was "placed for collection & skip," with a balance and past due amount of
3 \$878.00.
4

5 25.Defendant Equifax reported Plaintiff's other Credit One Bank account accurately;
6 Included in bankruptcy.
7

8 26.Defendant Credit One Bank has continued its attempts to collect on a debt that
9 has been discharged in a bankruptcy by sending repeated collection letters over
10 many months.
11

12 27.For example, Credit One sent Plaintiff Maryam a collection letter on May 2, 2017
13 indicating a balance of \$778.65; another on June 13, 2017 indicating a balance of
14 \$828.39; and another on June 27, 2017 indicating a balance of \$863.39.
15

16 28.Defendant Credit One Bank sent Plaintiff Adam a collection letter on May 1, 2017
17 indicating a balance of \$931.98; another on May 24, 2017 indicating a balance of
18 \$966.98; another on June 21, 2017 indicating a balance of \$984.51; another on
19 June 24, 2017 indicating a balance of \$1,019.51; and another on June 28, 2017
20 indicating a balance of \$1,037.76.
21

22 29.Defendant Credit One Bank was falsely representing the amount and legal status
23 of the debt while also causing Plaintiffs emotional distress by harassing Plaintiffs
24 with repeated collection letters (often days apart).
25
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1 30. Defendant Credit One Bank continues to report inaccurate information to
2 Defendant Equifax.

3
4 31. The inaccurate credit reporting by the Defendants has misled prospective lenders
5 to believe that there is a collectable balance owed.

6
7 32. The inaccurate reporting on Plaintiff's credit report has caused Plaintiff emotional
8 distress and mental anguish who sought to obtain relief from their debts by filing
9 Chapter 7 bankruptcy.

10
11 **COUNT I – FIRST CLAIM OF RELIEF**

12 **ALL DEFENDANTS**

13 **Violations of the Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681 *et. seq.***

14 33. Plaintiffs incorporate by reference all of the above paragraphs of this Complaint
15 as though fully stated herein.

16
17 34. The FCRA requires a furnisher such as Credit One Bank, after receiving notice
18 from a credit reporting agency that a consumer disputes information that is being
19 reported by that furnisher, to conduct an investigation with respect to the disputed
20 information, to review all relevant information, to report the results of the
21 investigation to the credit reporting agency, and, if the investigation reveals that
22 the information is incomplete or inaccurate, to report those results to all other
23 credit reporting agencies to which the furnisher has provided the inaccurate
24 information.
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1 35. Since March 2017 and until the present, Defendant Credit One Bank has provided
2 inaccurate information to Defendant Equifax.

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4 36. During that time, Mr. Parsa notified Defendant Equifax that the reported account
5 balance/status was incorrect and that the account was supposed to be included in
6 bankruptcy. Thereafter, Defendant Equifax notified Defendant Credit One Bank
7 that Mr. Parsa was disputing the information it had furnished to the credit
8 reporting agency.
9

10 37. Defendant Credit One Bank is liable under sections 1681n and 1681o of the FCRA
11 by engaging in the following conduct that violations 15 U.S.C. § 1681s-2(b):
12

- 13 (a) Willfully and negligently failing to conduct an investigation of the
14 inaccurate information that Plaintiff disputed;
15
16 (b) Willfully and negligently failing to review all relevant information
17 concerning Plaintiff mortgage;
18
19 (c) Willfully and negligently failing to report the results of investigations
20 to the relevant consumer reporting agencies;
21
22 (d) Willfully and negligently failing to report the inaccurate status of the
23 inaccurate information to all credit reporting agencies;
24
25 (e) Willfully and negligently failing to properly participate, investigate
26 and comply with the reinvestigations that were conducted by any and
27
28

1 all credit reporting agencies concerning the inaccurate information
2 disputed by Plaintiff;

3
4 (f) Willfully and negligently continuing to furnish and disseminate
5 inaccurate and derogatory credit, account and other information
6 concerning Plaintiff to the credit reporting agencies; and
7

8 (g) Willfully and negligently failing to comply with the requirements
9 imposed on furnishers of information pursuant to 15 U.S.C. § 1681s-
10 2(b).
11

12 38. Defendant Credit One Bank's is liable to compensate Plaintiff for the full
13 amount of statutory, actual, and punitive damages, along with attorneys' fees
14 and costs, as well as other such relief permitted by 15 U.S.C. § 1681n.
15

16 39. The FCRA provides that if the completeness or accuracy of any item of
17 information contained in a consumer's file at a consumer reporting agency is
18 disputed by the consumer and the consumer notifies the agency directly of such
19 dispute, the agency shall conduct a reasonable reinvestigation to determine
20 whether the disputed information is inaccurate, or delete the item from the file
21 within thirty (30) days of receiving the consumers dispute notice. 15 U.S.C. §
22 1681i(a)(2)(A).
23
24

25 40. The Act further requires the credit reporting agency, within 5 business days of
26 receiving notice of the consumer's dispute, to provide notification of the dispute
27
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1 to the person who furnished the information in dispute and requires the credit
 2 reporting agency to “include all relevant information regarding the dispute that
 3 the agency received from the consumer.” 15 U.S.C. § 1681i(a)(2)(A). In
 4 conducting its reinvestigation of disputed information in a consumer report, the
 5 credit-reporting agency is required to “review and consider all relevant
 6 information submitted by the consumer.”
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 8

9 41. The Defendant Equifax failed to conduct a reasonable reinvestigation of the
 10 inaccuracy that the Plaintiff disputed.
 11

12 42. The Defendant Equifax failed to review and consider all relevant information
 13 submitted by Plaintiff.
 14

15 43. The Defendant Equifax failed to employ and follow reasonable procedures to
 16 assure maximum possible accuracy of Plaintiff’s credit report, information, and
 17 file, in violation of 15 U.S.C. § 1681e(b).
 18

19 44. As a result of the above-described violations of § 1681i and § 1681e(b), Plaintiff
 20 Mr. Parsa has sustained damages.

21 45. The Defendant Equifax violations of the FCRA were willful and therefore
 22 Plaintiff is entitled to seek statutory and punitive damages.
 23

24 **COUNT II – SECOND CLAIM OF RELIEF**

25 **Defendant Credit One Bank**

26 **Violations of the Rosenthal Fair Debt Collections Practices Act (RFDCPA),** 27 **CAL. CIV. CODE § 1788 et. seq.**

28 46. Plaintiffs incorporate by reference all of the above paragraphs of this Complaint.

1 47. Defendant Credit One Bank knew or should have known of Plaintiffs' bankruptcy
2 discharge because of the dispute notice they received from Defendant Equifax.

3
4 48. Defendant Credit One Bank continued to send credit card statements indicating
5 past due balances and in doing so falsely represented the legal status and character
6 of the alleged debt.

7
8 49. As a result of the above described actions, Defendant is in violation of Cal. Civ.
9 Code § 1788.17.

10 (a) § 1788.17 states that debt collectors are subject to 15 U.S.C. §
11 1692e(2)(A), which states that "the false representation of the character,
12 amount, or legal status of any debt is a violation 15 U.S.C. §
13 1692e(2)(A)."

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15
16 **REQUEST FOR RELIEF**

17 **WHEREFORE**, Plaintiffs respectfully request that judgment be entered
18 against Defendant for the following:

19
20 A. Actual damages pursuant to 15 U.S.C. § 1681n(a) and Cal. Civ. Code §
21 1788.30(a);

22
23 B. Statutory damages pursuant to 15 U.S.C. § 1681 n(a) and Cal. Civ. Code §
24 1788.30(b);

25 C. Punitive Damages pursuant to 15 U.S.C. § 1681n(a)(2);
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27
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1 D. Costs and reasonable attorney's fees pursuant to 15 U.S.C. §§1681n(c) and
2 1681o(b) and Cal. Civ. Code § 1788.30(c);

3
4 E. Any pre-judgment and post judgment interest as may be allowed under the
5 law; and

6 F. For such other and further relief as the Court may deem just and proper.
7

8 **DEMAND FOR JURY TRIAL**

9 Please take notice that Plaintiffs demand a trial by jury in this action.

10 Respectfully Submitted,
11

12 **PRICE LAW GROUP, APC**

13 Dated: July 28, 2017

By: /s/ Stuart Price

14 Stuart Price, Esq.

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